General Terms and Conditions of Purchase of the ArsRatio GmbH

I. Scope

1. These General Terms and Conditions of Purchase are applicable to all - also future - orders of goods and services and to the processing. We will not accept any contradicting conditions or conditions deviating from these General Terms and Conditions of Purchase of Seller, unless anything else has been stipulated in these General Terms and Conditions of Purchase or in the contract with Seller. If we will accept the goods without an express objection, it cannot be deduced in any case, that we had acknowledged the terms and conditions of Seller.

2. Oral agreements of our staff members will only become binding upon our written confirmation.

3. The preparation of offers is free of charge and without obligation for us.

4. Seller shall be obliged to its offer for a period of time of 6 months; the offer commences upon the receipt of the offer by us. If Seller will not accept the order within three weeks after receipt, we will be entitled to a cancelation. Call-offs will become binding at the latest, unless Seller will object within two weeks after receipt.

5. The respectively valid version of the Incoterms shall be decisive for the interpretation of trade clauses.

II. Prices

1. The price agreed upon is a fixed price free place of delivery. The goods are invoiced without packaging.

2. The pricing "delivery free to place of delivery", "delivery free to destination" and other "free/carryage paid" deliveries includes shipping and packaging costs. Packaging will only be paid for, if a payment had been expressly agreed upon in this respect. In this case, the packaging will be credited with 2/3 of the value charged in case of a carriage-paid return shipment to the place of shipment.

III. Payment

1. Payments will be effected within 14 days less 3% discount or net within 30 days, unless any other agreement has been made or conditions of Seller are more favourable.

2. Payment and discount periods will start on the date of the receipt of the invoice, but not before the receipt of the goods or the acceptance of the services and - insofar as documentations, test certificates or similar documents are included in the scope of performance - not before the contractual submission to us.

3. Payments will be made by bank transfer. The payment is made in due time, if the instructions for the transfer had been given to the bank on the due date.

4. Default interest cannot be requested. The rate of interest on arrears amounts to 5 % points above the basic interest rate. We are entitled to prove a lower delay damage as that requested by Seller.

5. We are entitled to the statutory extent of offset and retention rights.

IV. Date of Delivery / Delay in Delivery

1. Dates and times of delivery are binding. Any threatening delays in delivery must be immediately notified to us in writing as well as by phone. At the same time, adequate counter-measures to avert the consequences must be proposed to us.

2. The decisive factor for the fulfillment of the date of delivery or delivery period is the receipt of the contractual goods, unless anything else has been agreed upon in writing.

3. Any delays in delivery shall be immediately notified to us in writing and by phone. At the same time, adequate counter-measures to avert the consequences must be proposed to us.

4. If Seller will be in delay in delivery or will culpably violate other obligations to cooperate, we will be entitled to request to make good the damage incurred by us insofar, including any possible additional expenses and hedging transactions. We reserve to the right for further claims as well to object to unfulfilled contracts.

5. We will be entitled to claim from Seller in case of a delay from the side of Seller from the date of the delay in delivery a penalty in the amount of 0.3 % of the total gross order value of the delivery for each working day commenced. We expressly reserve the right to claim further damages.

6. If Seller has notified a threatening delay in delivery without proposing to us an adequate measure to avert the consequences or if it is obvious, that Seller will not be able to render the service even within a respite period to be determined after the due date, we will be entitled to withdraw from the contract even before the expiration of the period of delivery.

7. If we will define a vessel for the shipment of the material and if this vessel will be accepted by Seller, Seller shall bear the charges, irrespective of the statement before, incurred for demurrage, dead freight etc., if the material will not be shipped at the date intended or not shipped at all, irrespective of the reason whatsoever.

8. Seller will only be entitled to relate to the missing of required documents to be submitted by us, if Seller did not receive the documents even after a written reminder.

9. Further statutory claims and rights from our side due to a delay in delivery shall not be affected.

V. Force Majeure

Acts of God, labour disputes, riots, administrative measures and other unforeseen, unavoidable and severe events will release the contractual partner from its performance obligations for the period of time of the interruption and with respect to extent of its impact. This also applies, if these events will occur at a time, at which the contractual partner is in delay. The contractual partners are obliged to immediately submit the required information within a reasonable scope and to adapt their obligations to the changed conditions in good faith.

VI. Quality and Documentation

1. Supplier is obliged to fulfill the generally accepted engineering standards, the safety regulations and the technical data agreed upon and to establish and provide evidence for the existence of a quality management system in accordance with accepted standards.

2. We reserve the right to convince ourselves on site of the efficiency of the quality management system. Any modifications of the delivery item shall be subject to the prior written approval of the ordering party. The ordering party is entitled to perform audits in the production facility of Supplier or its subcontractor at any time during the operating hours upon a previous proper notification. Supplier will ensure a respective right of the ordering party by way of respective agreements with its contractors.

3. Supplier shall be obliged to continuously test the quality of the delivery items. The contractual partners shall inform each other about the possibilities of quality improvements.

4. If the type and scope of the tests as well as the test equipment and methods have not been firmly agreed upon between Supplier and us, we will be ready to discuss the tests with Supplier upon the request of Supplier within the scope of our know-how, experience and possibilities.

VII. Reservation of Title

1. With respect to the rights to reservation of title of Seller, the terms and conditions of Seller shall be applicable, namely under the condition, that the title to the goods will pass on to us upon the payment of this item and that therefore the extended form of the so-called current-account reservation of title as well as of the prolonged reservation of title will not be applicable.

2. Due to the reservation of title, Seller may only demand the retained goods if it had withdrawn from the contract.
VIII. Execution of Supplies and Transfer of Risk

1. Seller shall bear the risk of accidental loss and of accidental deterioration, also in case of deliveries "carriage paid" and "free domicile", namely upon handover of the contractual goods at the place of destination.

2. Partial deliveries will be subject to our approval.

3. Excess or shortfall deliveries are only allowed within customary technical tolerances and upon consultation with us. Any costs incurred at our premises and at third parties resulting from the delivery of defective material / goods will be passed on to Seller (damage resulting from defect).

4. Packaging costs will be borne by Seller, unless anything else has been agreed upon in writing. If we will bear - in the individual case - the packaging costs, these shall be charged to us at the lowest price.

5. If the fulfillment of our contractual obligations will be made impossible or substantially impeded in the event of force majeure or strike or lock-out, we will be entitled to fully or partially cancel the contract or to request the execution at a later date, without Seller being entitled to any claims towards us.

IX. Declarations of Origin

The following shall be applicable, in case Seller will make declarations with respect to the origin of the goods sold:

1. Seller is obliged to enable the review of certificates of origin through customs authorities and to supply the information required for this purpose as well as to immediately provide any confirmations possibly required.

2. Seller is obliged to compensate for the damage incurred resulting from the fact, that the origin declared will not be recognized by the competent authorities due to a defective certificate or due to the lack of possibilities for review, unless Seller is not responsible for such consequences.

X. Liability for Defects

1. Seller shall be obliged to procure the goods and services for us free from defects of quality and title.

2. Seller renounces filing delayed claims, unless an obvious defect exists. Insofar as an obvious defect exists, § 377 UGB (Austrian Commercial Code) shall be applicable, namely under the condition, that the inspection and notice of defect through us shall be performed/submitted immediately, but not before 7 working days after the delivery of the goods.

3. In case the goods or services have a defect, we are entitled to the statutory rights upon our discretion. In urgent cases, we will be allowed to carry out a rectification ourselves or have such rectification performed through a third party after a previous notification of Seller. The expenditure incurred shall be borne by Seller. The expenditure incurred required for the purpose of the rectification will also include the costs incurred by our customer. The warranty period with respect to repaired or replaced goods will commence newly. In case of a rectification, the new commencement of the statute of limitation will be restricted to the defect rectified.

4. If the same product will be repeatedly supplied with a defect, we will be entitled to also withdraw from the non-fulfilled scope of supplies/services in case of a new defective delivery and after a written reminder.

5. If warranty claims will be put forward to us in case of a resale to third parties, Seller will hold us harmless with respect to any damage respectively incurred by us. Furthermore, Seller will be obliged to treat a claim put forward by one of our customers towards us as a claim put forward against Seller.

6. The limitation period for our claims for defects will commence upon the date of the delivery of the goods or of the acceptance of the services rendered. The liability of Seller for defects will terminate for claims with respect to or in connection with the delivery of goods two years after the delivery of the contractual goods. Any claims with respect to or in connection with the delivery of goods usually used for a building in accordance with their common way of use, will be statute-barred five years after delivery. The period of limitation will be suspended as soon and as long as counter-claims of Seller will exist and are not statute-barred. As soon and as long as claims of our customers towards us exist based on a defect of the goods supplied by Seller and subject to a period of limitation of a maximum of three years, the period of limitation of our relevant claims for defects against Seller will be suspended or our claims for defects against Seller already statute-barred will be revived. Furthermore, the statutory periods of limitation are applicable.

6. Seller will already now assign - in fulfilment - any and all claims due to Seller against its sub-suppliers due to and in connection with the delivery of defective goods or services. Seller shall hand over to us any and all documents required for this purpose to enforce such claims.

XI. Proprietary Rights

1. Seller will be liable with respect to any claims resulting from the violation of applications for proprietary rights and proprietary rights of third parties in case of a contractual use of the delivery items with our products, irrespective of the countries, in which such proprietary rights exist, if Seller is responsible for such violation. Seller will not be responsible for violations of proprietary rights at those delivery items, which have been manufactured exclusively on the basis of our technical specifications and of our know-how.

2. Seller will hold us and our customers harmless with respect to a violation of proprietary rights, for which Seller is liable pursuant to para. 1 of this §, with respect to any and all claims of third parties derived therefrom; in this case, we will also be entitled to withdraw from the contract at any time.

3. Seller will inform us, upon request, about the published and unpublished applications for its own proprietary rights and proprietary rights as well as those licensed by Seller used at the delivery items.

XII. Forum Contractus, Place of Jurisdiction and Applicable Law

1. Forum contractus for the delivery is our registered office, unless anything else has been agreed upon.

2. The place of jurisdiction in dealings with businessmen (natural and legal persons) as well as with legal persons (entitles) and special public funds is - at our discretion - the place of our registered office or that of Seller.

3. With respect to any and all legal relations between us and Seller, Austrian law shall be exclusively applicable (with the exclusion of the IPRG ("Conflict-of-laws Act") and of other conflict of laws). The provisions of the UN Sales Law will not be applicable.

4. Oral ancillary agreements will only become effective upon our written confirmation.

5. These General Terms and Conditions of Purchase shall be applicable analogously to contracts of any kind, in particular to contracts for work and contracts for labour and material.

6. If any of the provisions of the contract with Seller, including these General Terms and Conditions of Purchase, should be or become fully or partially invalid, this shall not affect the validity of the other provisions. The provision fully or partially invalid shall be replaced by a provision coming as close as possible to the economic success of the invalid provision.